

110TH CONGRESS  
1ST SESSION

# H. R. 4090

To amend the Internal Revenue Code of 1986 to exempt motor vehicle donations to certain charities from the limitations on such donations.

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IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 6, 2007

Mr. FILNER introduced the following bill; which was referred to the  
Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to exempt motor vehicle donations to certain charities from the limitations on such donations.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. MOTOR VEHICLE DONATIONS TO CERTAIN**  
4                       **CHARITIES EXEMPT FROM LIMITATIONS ON**  
5                       **SUCH DONATIONS.**

6       (a) IN GENERAL.—Paragraph (12) of section 170(f)  
7       of the Internal Revenue Code of 1986 (relating to con-  
8       tributions of used motor vehicles, boats, and airplanes) is  
9       amended by redesignating subparagraph (F) as subpara-

1 graph (G) and by inserting after subparagraph (E) the  
2 following new subparagraph:

3 “(F) EXCEPTIONS FOR VEHICLE DONA-  
4 TIONS MADE TO CERTAIN CHARITIES.—Sub-  
5 paragraph (A) shall not apply to contributions  
6 of motor vehicles to any organization if—

7 “(i) employees of the donee organiza-  
8 tion are solely responsible for, and perform  
9 substantially all of the services for, the  
10 daily operations of the organization’s vehi-  
11 cle donation program,

12 “(ii) the donee organization does not  
13 regularly use the property or services of  
14 any third party in carrying out such pro-  
15 gram (other than vehicle repair, mainte-  
16 nance, and towing services), and

17 “(iii) not more than an amount equal  
18 to 20 percent of the annual net proceeds  
19 from the sale of motor vehicles donated to  
20 such organization is paid to third parties  
21 for services used by such program.

22 For purposes of clause (iii), the term ‘net pro-  
23 ceeds’ means gross proceeds reduced by costs  
24 allocable to employee services under the pro-  
25 gram.”.

1       (b) EFFECTIVE DATE.—The amendment made by  
2 this section shall apply to contributions made after the  
3 date of the enactment of this Act in taxable years ending  
4 after such date.

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